

FEBRUARY 4, 1992

U. S. PATENT AND TRADEMARK OFFICE

Patent and Trademark Office
 37 CFR Parts 1 and 10
 [Docket No. 910764-1306]
 RIN: 0651-AA27

Duty of Disclosure

Agency: Patent and Trademark Office, Commerce
Action: Notice of final rulemaking.

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases to (1) clarify the duty of disclosure for information required to be submitted to the Office; (2) provide flexible time limits for submitting information in disclosure statements including the requirement of a fee in certain cases; (3) eliminate consideration of duty of disclosure issues by the Office except in disciplinary and interference proceedings, and under other limited circumstances; and (4) eliminate the striking of patent applications which are improperly executed. The Office further is amending the Patent and Trademark Office's Code of Professional Responsibility to define as misconduct a failure to comply with the rules in duty of disclosure. The rules as adopted strike a balance between the need of the Office to obtain and consider all known relevant information pertaining to patentability before a patent is granted and the desire to avoid or minimize unnecessary complications in the enforcement of patents.

Effective Date: March 16, 1992. These rules will be applicable to all applications and reexamination proceedings pending or filed after the effective date.

For Further Information Contact: By telephone Charles E. Van Horn (703-305-9054) or J. Michael Thesis (703-305-9384) or by mail addressed to Commissioner of Patents and Trademarks, Washington, D.C. 20231, and marked to the attention of Charles E. Van Horn (Crystal Park 2 - Room 919).
Supplementary Information: A notice of proposed rulemaking on duty of disclosure and related misconduct published in the Federal Register at 54 FR 11334 (March 17, 1989), and in the *Patent and Trademark Office Official Gazette* at 1101 Off. Gaz. Pat. Off. 12 (April 4, 1989), was withdrawn. On August 6, 1991, the Office published in the *Federal Register* a notice of proposed rulemaking relating to duty of disclosure. 56 FR 3752. The notice was also published in the *Official Gazette*, 111 Off. Gaz. Pat. Off. 52 (August 27, 1991). Supplementary comments were received in response to the notice of proposed rulemaking. A public hearing was held on October 8, 1991. Eleven individuals or their organizations commented at the hearing. The sixty written comments and a copy of the transcript of the hearing are available for public inspection in the Office of the Assistant Commissioner for Patents, Room 919, Crystal Park II, 2121 Crystal Drive, Arlington, VA.

Familylicity with the notice of proposed rulemaking is assumed. Changes in the text of the rules published for comment in the notice of proposed rulemaking are discussed. Comments received in writing in response to the notice of proposed rulemaking are discussed.

The rules as adopted shall take effect as to all applications and reexamination proceedings either pending or filed on or after the effective date of these rules. Thus, any information disclosure statement that is filed on or after that date must comply with the provisions of §§ 1.97 and 1.98 to be entitled to consideration.

Changes in Text: The final rules contain several changes to the text of the rules as proposed for comment. Those changes are discussed below.

Section 1.17(e)(1) has been changed from the proposed text to reflect the recent increase in the amount of the fee for filing a petition from \$120.00 to \$130.00.

Section 1.56(a) has been clarified to indicate that the duty of an individual to disclose information is based on the knowledge of that individual that the information is material to patentability. A sentence has been added to § 1.56(a) to express the principle that the Office does not prosecute a patent application if there are applications or publications with which fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct. In addition, § 1.56(a) as proposed has been changed to indicate that if all information material to patentability of any claim issued in a patent is cited by the Office or submitted to the Office in the manner prescribed by §§ 1.97(b)-(d) and 1.98, the Office will consider as satisfied the

duty to disclose to the Office all information known to be material to patentability, as contrasted to the broader duty of candor and good faith. This rule does not attempt to define the spectrum of conduct that would lack the candor and good faith in dealing with the Office which is expected of individuals who are associated with the filing or prosecution of a patent application.

In § 1.56(q), the phrase "or being made of record" has been inserted to make it clear that information is not material to patentability if it is contained in record in § 1.56 if it is cumulative to either information already of record in the application or contemplated to be made of record by applicant. For example, there would be no benefit to the Office for applicant to submit to the Office 10 different documents having the same teaching simply because the information was not cumulative to the information already of record.

The term "creates" has been replaced by the term "establishes" in § 1.56(b)(1). In addition, the definition of a prima facie case of unpatentability, as set forth in the preamble of the notice of proposed rulemaking, has been incorporated into the rule itself. A prima facie case of unpatentability of a claim is established when the information compels a conclusion that the claim is unpatentable:

- (1) under the preponderance of evidence, burden-of-proof standard;
- (2) giving each term in the claim its broadest reasonable construction consistent with the specification, and
- (3) before any specific evidence is adduced to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

This prima facie standard conforms to it; standard used by an examiner to determine whether a claim is prima facie unpatentable.

Section 1.56(b)(2) has been modified from the text of the proposed rule. The focus of this paragraph has been changed so that it now relates to information which either creates, or is inconsistent with, a position that applicant takes in either:

- (1) opposing an argument of patentability,
- (2) asserting an argument of patentability.

The change from the proposed rule makes clear that information is material when it either refutes, or is inconsistent with, a position taken by applicant before the Office.

Section 1.97(e) has been changed from the proposed text to make it clear that a certification could contain either of two statements. One statement is that there is no information in an information disclosure statement was cited in a search report from a patent office outside the U.S. not more than three months before the filing date of the statement. Under this certification, it would not matter whether any individual with a duty actually knew about any of the information cited before receiving the search report. In the alternative, the certification could state that no item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application or in a communication of the person signing the certification after making reasonable inquiry, was known by any individual having a duty to disclose more than three months prior to the filing of the statement.

The changes to the text of § 1.97(e) as proposed place the appropriate priority on getting relevant information to the Office promptly, with minimum burden to applicant. The text of the proposal has also been changed by adding the phrase "after making reasonable inquiry" to make it clear that the individual making the certification has a duty to make reasonable inquiry regarding the facts that are being certified. For example, if an inventor gave a publication to his or her practitioner prosecuting an application, who then said that it be cited to the Office, the practitioner should inquire as to when that inventor became aware of the publication before submitting a certification under § 1.97(e)(2) to the Office.

A new paragraph (h) has been added to the text of proposed § 1.97. The purpose of new paragraph (h) is to ensure that no one could construe the mere filing of an information disclosure statement as an admission that the information cited in the statement is, or is considered to be, material to patentability as defined in § 1.56(b). It is in the best interest of the Office and the public to permit and encourage individuals to cite information to the Office without fear of making an admission against interest.